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FM AMEMBASSY KABUL
TO RUEHC/SECSTATE WASHDC PRIORITY 4643
INFO RUEATRS/DEPT OF TREASURY WASHINGTON DC 0650
RUCNAFG/AFGHANISTAN COLLECTIVE
RUEHZG/NATO EU COLLECTIVE
RUEKJCS/OSD WASHINGTON DC
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UNCLAS SECTION 01 OF 02 KABUL 001709

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SUBJECT: AFGHANISTAN - JCMB VIII welcomes SRSG Kai Eide, restructures JCMB, hears GIROA Plans for ANDS Implementation and ANA Increase

11. Summary. On July 6, the eighth meeting of the Joint Coordination and Monitoring Board (JCMB-VIII) welcomed the co-chairmanship of Kai Eide, the newly-arrived Special Representative of the UN Secretary General. Minister of Finance (MOF) Ahady announced the Government of the Islamic Republic of Afghanistan (GIROA) plan for Afghanistan National Development Strategy (ANDS) implementation, in which the MOF will budget for ANDS and coordinate among ministries and the Ministry of Economy will assess projects and monitor implementation. To support implementation of the ANDS, Eide proposed restructuring the JCMB into three standing committees that would create ad hoc task forces to tackle specific problems. In addition, UNAMA will increase its staff to better coordinate International Community (IC) assistance. Minister of Defense Abdul Rahim Wardak, with the support of the U.S., called for the JCMB in autumn to approve an increase in the ANA authorized strength from 80,000 to 122,000 troops. End summary.

Opening Statements and Themes

12. On July 6, JCMB Co-Chairs, Professor Ishaq Nadiri, GIROA Senior Economic Advisor to President Karzai, and Ambassador Kai Eide, the Special Representative of the Secretary General (SRSG) and the head of the United Nations Assistance Mission to Afghanistan (UNAMA), opened JCMB VIII, which followed on the successful Afghanistan Support Conference in Paris, France, on June 12. Eide said that the International Community (IC) cannot continue "business as usual on automatic pilot" or it risks losing the support of the Afghan people. Building on the Paris Declaration, the IC needs to increase aid effectiveness. Nadiri said that President Karzai has formed a group under his leadership to implement the commitments that the GIROA made at Paris, such as fighting corruption with a new draft anti-corruption law approved by the Afghan cabinet that morning for submission to parliament.

ANDS Implementation Structures

13. In announcing new GIROA implementation structures, Minister of Finance (MOF) Anwar ul-haq Ahady renewed GIROA commitments made at

Paris to increase revenue, support market economy institutions, and fight corruption. Under the leadership of the Cabinet Oversight Committee (OSC), composed of the Senior Economic Advisor and seven economic ministers. MOF will integrate ANDS priorities with the GIROA budget, while the Ministry of Economy (MOE) will evaluate individual projects and monitor implementation. All delegations supported a strong role for the MOF in the ANDS implementation process.

UNAMA's Proposals for JCMB Strengthening

¶4. Turning to the role of UNAMA and the task of strengthening the JCMB's support for ANDS implementation, Eide outlined a new JCMB structure. Replacing the JMCCB's quarterly meetings and extensive consultative committee and working groups would be three new standing committees aligned with the Afghan Compact's three pillars of security, governance, and economic development. The only permanent standing committee members would be the co-chairs, with UNAMA representing the IC. Depending on the issue, the co-chairs would select members for an ad hoc task force for rapid and flexible, delivery-oriented decisions, a structure described as "variable geometry." Most delegations supported this new structure, while Germany expressed concern about exclusivity and suggested that only the JCMB plenum could make decisions. Supported by the Canadian Ambassador, who distinguished between "implementing countries," and only "interested countries," Eide defended the proposed structure as avoiding the slowness that characterized the old rigid structure. Eide also announced that UNAMA would increase its staff to better support IC assistance coordination.

¶5. During the discussion, delegations warmly welcomed GIROA's pledge

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of renewed anti-corruption efforts. In response to some delegations pointing out that the Compact Benchmarks and the ANDS timeline were not synchronized, Nadiri committed the GIROA staff to present an integrated report to the next JCMB meeting. Ambassador Wood called for a strong MOF role in ANDS implementation with clear priorities, not just a series of projects.

Follow Up to Paris Declaration Commitments

¶6. Following up on MOF Ahadi's opening remarks, Dr. Fahim Wardak on Karzai's Palace staff detailed President Karzai's recent decision to set up a new Palace structure for fulfilling Paris Declaration commitments and implementing the ANDS. A small technical task force is working on strengthening democracy, fighting corruption, and promoting investment in infrastructure.

ANA to Propose Increase to 122,000

¶7. Defense Minister Abdul Rahim Wardak provided a compelling rationale for increasing the ANA authorized strength from 80,000 to 122,000 (with an additional training pool) over the years to 2012. The Taliban were stronger, better trained and better equipped than expected. A larger ANA would allow them to not just "clear" territory of Taliban, but to "hold and build" as well.

¶8. Ambassador Wood called the ANA a success story, noting that it has exceeded its recruitment, training and performance goals. He pointed to its expulsion of the Taliban from the Arghandab valley near Kandahar as an example of its rapid growth in capabilities. The goal is to develop the ANA into an organization able to sustain Afghanistan's own defense. The World Bank representative noted that while increasing the ANA would have budget implications, a secure environment is necessary for economic development. The Indian ambassador also supported ANA expansion. Kai Eide closed the discussion by promising an extended discussion of ANA expansion in autumn 2008 in the JCMB format.

WOOD